

Cities in California have had the authority to levy business license taxes for many years. The City of Morgan Hill established its' first business license tax ordinance in the 1930's. The taxes collected under this ordinance help pay the costs of general city services such as public safety, parks and recreation. The taxes collected represent about 1.2% of the City's general fund revenues. Recent improvements in technology and the ability to cross reference with other state agencies will make enforcement of the regulations much easier, thereby ensuring that all businesses conducting business within the City comply with the City's ordinance.

The City of Morgan Hill's business license ordinance is administered by the Finance Department. Assistance with the application process, questions regarding fees or business types, and bi-lingual assistance is available Monday through Friday, 8:00am to 5:00pm.

Frequently Asked Questions

Do I need a business license?

All persons or companies conducting business within the city limits of Morgan Hill are required to obtain a business license. Conducting business is defined as conducting, managing or carrying on a profession, business, trade or occupation for profit or livelihood.

Where do I get an application?

You can obtain an application from the City of Morgan Hill Finance Department, in person or by calling (408) 779-7237, or by downloading the form from the City's website at www.morgan-hill.ca.gov.

When do I have to file the application?

Applications must be submitted and fees paid prior to conducting business within city limits.

How long is my license valid?

Business license are issued on a fiscal year basis and are valid from July to June. All business licenses expire on June 30 and must be renewed annually.

What are the fees for a business license?

The fees vary by business category. The most common categories are home based, fixed place of business, professional and no fixed place of business. A complete list of fees is available from the Finance Department or the City's website. In addition to license fees, there are one-time fees for application review and zoning compliance.

I operate a non-profit organization. Do I need a business license?

Yes, however the business license tax is waived for those non-profits registered with the Secretary of State. Other one-time fees apply.

Does a business license give me the right to conduct business?

Your business license is not a permit to operate and does not authorize you to operate a business that is otherwise prohibited by law or ordinance.

For additional information or assistance with your business license needs, please contact:

City of Morgan Hill Finance Department
17555 Peak Avenue
Morgan Hill CA 95037
(408) 779-7237